RIZZO FARRUGIA
YOUR INVESTMENT CONSULTANTS

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The Board of Directors
Virtu Finance p.l.c.
Virtu, Ta' Xbiex Terrace
Ta' Xbiex XBX 1034
Malta

25 June 2024

Dear Sirs,

Virtu Finance p.l.c. – Financial Analysis Summary (the "**Update FAS**")

In accordance with your instructions and in line with the requirements of the Listing Policies of the Malta Financial Services Authority, we have compiled the Update FAS set out on the following pages and which is being forwarded to you together with this letter. The purpose of the Analysis is that of summarising key information appertaining to Virtu Finance p.l.c. (the "**Company**", or "**VFP**") and Virtu Maritime Limited (the "**Guarantor**", or "**VML**"). The data is derived from various sources or is based on our own computations as follows:

(a) historical financial data for the years ended 31 December 2021, 2022 and 2023 has been extracted from the Company's and the Guarantor's audited statutory financial statements;

(b) the forecast data for the financial year ending 31 December 2024 has been provided and approved by management of the Company and the Guarantor;

(c) our commentary on the financial performance of the Company and the Guarantor is based on information and explanations provided by management;

(d) the ratios quoted in the Financial Analysis Summary have been computed by us applying the definitions as set out and defined within the Update FAS; and

(e) relevant financial data in respect of the comparative set as analysed in Part D has been extracted from public sources such as the web sites of the companies concerned, financial statements filed with the Malta Business Registry or other published documents such as Financial Analysis Summaries.

The Update FAS is meant to assist potential investors by summarising the more important financial data of the Company and the Guarantor. The Update FAS does not contain all data that is relevant to potential investors and is meant to complement, and not replace, financial and/or investment advice. The Update FAS does not constitute an endorsement by our firm of the securities of the Company and should not be interpreted as a recommendation to invest. We shall not accept any liability for any loss or damage arising out of the use of the Update FAS and no representation or warranty is provided in respect of the reliability of the information contained in this report. As with all investments, potential investors are encouraged to seek professional advice before investing.

Yours sincerely,

Vincent E Rizzo
Director

Virtu Finance p.l.c.

FINANCIAL ANALYSIS SUMMARY

Update 2024

Prepared by Rizzo, Farrugia & Co (Stockbrokers) Ltd, in compliance with the Listing Policies issued by the Malta Financial Services Authority, dated 5 March 2013, as revised on 13 August 2021.

25 June 2024

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List of Abbreviations

EU	European Union
FAS	Financial Analysis Summary
FY	Financial year 1 January to 31 December
HSC JDLV	HSC Jean de la Valette
HSC SJPII	HSC Saint John Paul II
MGS	Malta Government Stock
MLA – SIC	Malta – Sicily route
PSO	Public Service Obligation
ROPAX	Roll-on/Roll-off passenger vessel
VFFL	Virtu Fast Ferries Limited
VFL	Virtu Ferries Limited
VFP	Virtu Finance p.l.c.
VFSRL	Virtu Ferries SRL
VFTL	Virtu Ferries Travel Limited
VHL	Virtu Holdings Limited
VMG	Virtu Maritime Group
VML	Virtu Maritime Limited
VRFL	Virtu Rapid Ferries Limited
VWPL	Virtu Wavepiercer Limited

Important Information

Purpose of the Document

Virtu Finance plc (the "**Company**" or "**VFP**") issued €25 million 3.75% Unsecured Bonds 2027 pursuant to a prospectus dated 30 October 2017 (the "**Bond Issue**"). The prospectus included a Financial Analysis Summary ("**FAS**") in line with the requirements of the Listing Policies dated 5 March 2013 and last revised on 13 August 2021. The purpose of this report is to provide an update to the FAS (the "**Update FAS**") on the performance and on the financial position of the Company and Virtu Maritime Limited (the "**Guarantor**" or "**VML**"), as guarantor to the Bond Issue.

Sources of Information

The information that is presented has been collated from a number of sources, including the Company's website (www.virtu.com.mt), the audited Consolidated Financial Statements for the years ended 31 December 2021, 2022 and 2023 and forecasts for financial year ending 31 December 2024 for both the Company and the Guarantor.

Forecasts that are included in this document have been prepared by management and approved for publication by the directors of the Company and Guarantor, who undertake full responsibility for the assumptions on which these forecasts are based.

Wherever used, FYXXXX refers to financial year covering the period 1st January to 31st December. The financial information is being presented in thousands of Euro, unless otherwise stated, and has been rounded to the nearest thousand.

Previous FAS Issued

The Company has published the following FAS which are available on its website:

FAS dated 30 October 2017 (appended to the prospectus)

FAS dated 27 June 2018

FAS dated 20 June 2019

FAS dated 25 August 2020

FAS dated 17 June 2021

FAS dated 23 June 2022

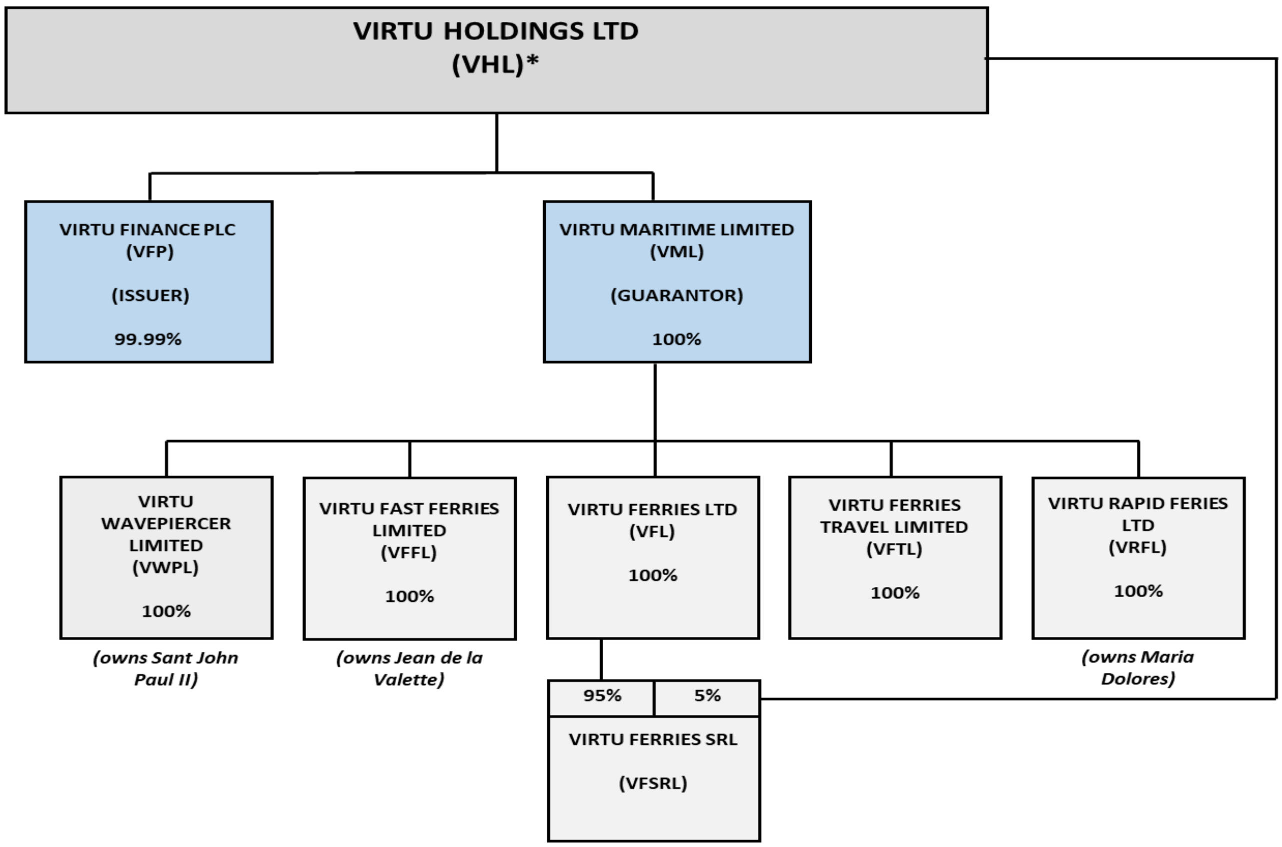
FAS dated 22 June 2023

3. INTRODUCTION

Virtu Finance p.l.c. was registered on 6 July 2017 as a public limited liability company. It was set up as a special purpose vehicle to act as the finance arm to the Virtu Maritime Group (the "**Group**" or "**VMG**"). Its main objective is that of carrying on the business of a finance and investment company, including the financing or re-financing of the funding requirements of the business of the Virtu Maritime Group. Given the nature of the Company's activities, i.e. raising finance for on-lending to the VMG, there is an inherent dependence on the Group's cash flows and operations.

The Guarantor was registered on 30 June 2017 as a private limited liability shipping company. The Guarantor is the holding company of Virtu Wavepiercer Limited ("**VWPL**"), Virtu Fast Ferries Limited ("**VFFL**"), Virtu Ferries Limited ("**VFL**"), Virtu Ferries Travel Limited ("**VFTL**") and Virtu Rapid Ferries Limited ("**VRFL**") (hereinafter collectively referred to as the "**Subsidiaries**").

The Group's structure is set out hereunder:



**Virtu Holdings is the parent company of a number of other subsidiaries and associated companies which do not form part of the Virtu Maritime Group and the business line relevant to the Bond Issue, and which accordingly do not feature in the above chart.*

Both the Company and the Guarantor are wholly owned subsidiaries of Virtu Holdings Limited ("**VHL**") forming part of the wider Virtu Holdings group. The latter is a group of companies with interests in maritime-related activities such as ship-owning, bunkering and ship management as well as tourism and real estate. The core business activity of the wider group is that of owning, managing and operating High Speed Passenger and Vehicle Ferries.

2. The Group's Subsidiaries

VFL is the main operating company of the VMG. VFL was set up in 1990 and also owns 95% of an Italian company – Virtu Ferries SRL ("**VFSRL**"). Between June 2021 and May 2024, VFL, together with another unrelated operator, was entrusted with the operation of the Malta-Gozo fast ferry service. For this purpose, VFL chartered two vessels, namely DSC San Frangisk and HSC Gozo Express, which are owned by related entities outside of VML, to operate the Malta-Gozo route. This concession was terminated on 13 May 2024 whereby the fast ferry service between Mata and Gozo was no longer operated by VFL but by Gozo High Speed Limited, which is owned as to 50% by VHL and therefore no longer part of VMG.

VFFL owns the *HSC Jean de la Valette* (*HSC JDLV)* which was the vessel deployed on the Malta-Sicily route between 2010 and March 2019. In 2010, this vessel replaced the *HSC Maria Dolores* on the Malta-Sicily route. In March 2019 the vessel set sail to Cadiz for a major drydocking and refit. Between May 2019 and 1 February 2021, it was chartered to a third-party to be deployed on the domestic route connecting the main island of Trinidad with the sister island of Tobago. Subsequently, the vessel returned to Malta after drydocking in Cadiz for preventative maintenance. During 2021, the HSC JDLV was deployed as a second vessel on the Malta-Sicily route although in the latter part of the year the vessel was taken out of service to undergo a scheduled major overhaul of its four engines. The HSC JDLV was once again deployed on the Malta-Sicily route during 2022 and has remained active on this route throughout all of 2023.

VFSRL is a company incorporated under the laws of Italy, and manages the Sicily reservations, marketing and port operations.

VFTL provides incoming and outgoing services to the tourist industry and acts as an in-house travel agent. In collaboration with VFSRL, VFTL offers several tourism services including transportation and accommodation arrangements for tourists visiting Sicily and Malta.

VRFL is the owner of the *HSC Maria Dolores* which was deployed on a route between Tarifa in Spain and Tangier Ville in Morocco since 2012. In March 2020, following the termination of the charter agreement due to the COVID pandemic, the vessel underwent an extensive refit. In April 2022, the *HSC Maria Dolores* departed Malta to recommence operations on the route between Spain and Morocco on the back of a new 3-year charter agreement. HSC Maria Dolores operated on this route until early December 2023 when the vessel was redeployed in the Eastern Mediterranean on a short-term charter through to the end of March 2024. The vessel returned to Malta for a period of routine maintenance and on 11 June 2024 the vessel set sail to Tangier Ville on a time charter with Stena Lines Scandinavia AB, covering the Spain-Morocco route.

VWPL is the owner of HSC Saint John Paul II which commenced operations on the Malta-Sicily route in March 2019.

Further detail on status of operational activities per vessel is available in the next sections.

3. Principal Activities of the Virtu Maritime Group and Market Trends in 2023

Since 2010 the Group was awarded the exclusive use and operation of the Valletta Gateway Terminal Sea passenger facilities at the Valletta Grand Harbour.

The principal part of VMG's business is the operation of the Malta-Sicily route (the "**MLA-SIC line**") by High-Speed Passenger and Vehicle Ferries. This core business activity is provided by VFL, which is the main operating arm of VMG. The MLA-SIC line is currently serviced by the High-Speed Passenger and Vehicle Ferry, *HSC Saint John Paul II* ("**HSC SJPII**") and *HSC Jean de la Valette* ("**HSC JDLV**").

In 2021, VMG launched a fast ferry service between Valletta and Mgarr, Gozo serviced by *DSC San Frangisk* and *DSC San Pawl.* The latter vessel was replaced by a newer vessel, *HSC Gozo Express* in May 2022. As highlighted in the previous section, this concession was terminated on 13 May 2024 whereby the fast ferry service between Malta and Gozo was no longer be operated by VFL but by Gozo High Speed Limited, which is owned as to 50% by VHL and therefore no longer part of VML.

The MLA-SIC Line: HSC Saint John Paul II & HSC Jean de la Valette

During FY2023, the Malta-Sicily line, serviced by HSC SJPII as well as by the HSC JDLV completed 1,382 trips (FY2022: 1,414 trips). Strong demand for the Malta-Sicily high speed ferry services was registered throughout the whole of 2023 across all segments with increases being experienced in passenger numbers and vehicular traffic across all categories (private vehicles, vans/trucks and trailers). VML operations benefited from a strong recovery in tourism and the Maltese economy generally.

The HSC Maria Dolores Charter

During FY2023, revenue emanating from 'charter hire and related income' amounted to €6.8 million (FY2022: €3.7 million), higher than anticipated and related solely to the charter income generated by the *HSC Maria Dolores* which recommenced operations on the route between Morocco and Spain from the end of April 2022, following the conclusion of a new 3-year charter agreement. As explained in Section 2 above, for 11 months of 2023, this charter was operational and in early December 2023, the charter was terminated and the vessel was redeployed in the Eastern Mediterranean on a short-term charter through to March 2024. The vessel returned to Malta for a period of routine maintenance and on 11 June 2024 the vessel set sail to Tangier Ville on a time charter with Stena Lines Scandinavia AB, covering the Spain-Morocco route.

The Fast Ferry Service Between Valletta, Malta and Mgarr, Gozo

During FY2023, the Gozo route improved following an accord with the Government on a services agreement that was being extended on a monthly basis pending conclusion of the EU approved Public Service Obligation (PSO) agreement. This was referenced in last year's report. On 12 May 2024, the Company announced that a subsidiary of VML will no longer provide this service and operate this route. Following a competitive process, the new PSO contract was awarded to Gozo High Speed Limited, which is owned as to 50% by VHL and therefore this service now forms part of the wider Virtu Holdings group and not VMG.

Tourism Trends And Sicily as a Destination and Source Market

Tourism is one of the major pillars of the Maltese economy and its importance in recent years has increased as tourism numbers significantly grew year after year, until the outbreak of the COVID-19 pandemic. The pandemic had a marked negative impact on the tourism sector, which also directly impacted the Maltese economy due to its material direct and indirect contributions to the country's gross domestic product.

The recovery in the number of inbound tourists[1] following the COVID-19 pandemic continued to gain momentum with almost 3.0 million tourists reaching the island in 2023. This represents a new record high as it also exceeded the previous record of 2.8 million inbound tourists registered in 2019. Such trend[2] extended into the first few months of 2024, where during the first quarter, 581,839 tourists are estimated to have travelled to Malta, representing a 31.3% increase over the 443,062 inbound tourists recorded for the first quarter of 2023.

The number of inbound tourists by sea had already exceeded pre-pandemic levels in 2022 with 55,108 inbound tourists reaching the island by sea compared to 51,212 in 2019. Further growth was registered in 2023 as 60,617 inbound tourists entered the Maltese Islands by sea. This trend, albeit at a slower pace, continued this year with 11,290 inbound tourists by sea recorded in the first quarter of 2024 compared to just over 11,000 inbound tourists by sea recorded in the corresponding period in 2023.

Apart from touristic purposes, the MLA-SIC line is used for the carriage of goods between Malta and Sicily, particularly those transporting fresh produce, fish and other products of a perishable nature by light and heavy

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[1] *National Statistics Office, 2024, Inbound Tourism – December 2023, https://nso.gov.mt/inbound-tourism-december-2023/ [Accessed 31 May 2024]*

[2] *National Statistics Office, 2024, Inbound Tourism – March 2024, https://nso.gov.mt/inbound-tourism-march-2024/ [Accessed 31 May 2024]*

commercial vehicles. A fast ferry service is indispensable in this context. The Port of Valletta holds a strategic importance in supporting the importation of goods into the island of Malta. During the COVID-19 pandemic drivers of commercial vehicles were exempt from quarantine restrictions in order to keep the local market supplied with essential goods, especially fresh food items.

War In Ukraine

While the ongoing war in Ukraine added a significant element of uncertainty particularly in relation to fuel prices and availability as extreme volatility in the oil market was observed throughout 2022, there was somewhat more stability throughout 2023 although fuel prices remain higher than in recent years. Prices have fallen from their historic high in mid-2022 and are expected to be less volatile during 2024 as security of supply concerns have somewhat eased and markets have adjusted to the reality of the situation in Ukraine. Nonetheless, the Group has retained certain mitigating measures to protect against any further adverse movements and/or renewed volatility in oil and fuel prices. These include hedging a portion of the anticipated fuel requirements and the possibility of implementing the fuel surcharge mechanism.

5. Governance and Senior Management

Directors of the Company

Mr Roderick E D Chalmers	Independent Non-Executive Chairman
Mr Kevin Valenzia	Independent Non-Executive Director
Mr Stefan Bonello Ghio	Non-Executive Director
Mrs Stephanie Attard Montalto	Executive Director
Mr Matthew Portelli	Executive Director

Directors of the Guarantor

Mr John M Portelli	Chairman
Mr Francis A Portelli	Executive Director
Mr Matthew Portelli	Executive Director
Mrs Stephanie Attard Montalto	Executive Director
Mr Henri Saliba	Executive Director
Mr Roderick E D Chalmers	Independent Non-Executive Director
Mr Kevin Valenzia	Independent Non-Executive Director
Mr Stefan Bonello Ghio	Non-Executive Director

Senior Management

As at the date of this FAS, no employees are directly engaged by the Company and / or the Guarantor. The Company and the Guarantor rely entirely on the management structures and employees of companies within the Virtu Maritime group.

6. Material Assets and Contracts

VMG, either directly or via its subsidiaries, is party to material contracts with related parties, as detailed hereunder.

Agreement & Counterparty	Nature of Agreement	Agreement Dates
Bareboat Charter Agreement between VFL and VFFL.	Standard BIMCO BARECON charter party agreement for ROPAX[3] vessel *HSC JDLV* between VFL and VFFL.	Agreement dated 01/04/2021. Charter period of 10 years.
Bareboat Charter Agreement between VFL and VWPL.	Standard BIMCO BARECON charter party agreement for the HSC SJPII between VFL and VWPL.	Agreement dated 10/03/2019. Charter period of 10 years.
Ship Management Agreement between VFL and VFFL.	Standard BIMCO SHIPMAN agreement for ROPAX vessel *HSC JDLV* between VFL and VFFL.	Agreement dated 12/06/2021. Commencement date 01/10/2021 for a period of 10 years.
Ship Management Agreement between VFL and VWFL.	Standard BIMCO SHIPMAN agreement for ROPAX vessel *HSC SJPII* between VFL and VWFL.	Agreement dated 04/02/2019. Commencement date 04/02/2019 for a period of 10 years.
Time Charter Agreement between VRFL and Stena Lines Scandinavia AB (a third-party).	Standard BIMCO ROPAXTIME charter party agreement for the HSC Maria Dolores between VRFL and *Stena Lines Scandinavia AB (a third-party)*.	Agreement dated 10/06/2024. Commencement date 11/06/2024.

Terminal Concession Agreement

VFL is party to a tripartite agreement between the Valletta Gateway Terminals Limited ("**VGT**"), VFL (as the client) and VHL (which acts as a guarantor of the performance of VFL) whereby VGT granted VFL the exclusive right to use the VGT facilities, including the berth, outbuilding, sea passenger terminal and gates. The concession commenced on 1 September 2010 and will expire on 30 June 2036.

[3] ROPAX is a term used to refer to roll-on/roll-off passengers/vehicle vessel and passenger vessels which also has the capacity for freight vehicle transport along with passengers.

VMG's Major Assets

VMG assets are predominantly made up of '*vessel and vessel equipment*' ("**VVE**") as shown in the table below:

Year	Total Assets €'000	VVE[4] €'000	VVE % of Total Assets
2021	198,656	125,540	63.19%
2022	196,191	120,587	61.46%
2023	**200,265**	**115,657**	**57.75%**

The Group's major assets comprise three vessels, details of which are included in the table below:

Name of Vessel	Route	Commencement date	Cargo Capacity	Passenger Capacity	Max. Speed
HSC Maria Dolores	Spain – Morocco	June 2024	65 cars / 35 cars + 95 truck lane metres	600	36 knots
HSC Jean de la Valette	Malta – Sicily	April 2021	156 cars / 45 cars + 342m of truck lane metres	800	38.5 knots
HSC Saint John Paul II	Malta – Sicily	March 2019	167 cars / 490 truck lane metres / 23 heavy commercial trailers	900	40 knots

[4] *Value represents the net book value of the Group's vessels.*

7. FINANCIAL INFORMATION – INTRODUCTION

The financial year-end of the Subsidiaries and Virtu Maritime Limited is 31 December.

All figures referred to in the following sections of the report have been supported by management information as necessary, with the exception of the financial ratios which have been calculated by Rizzo, Farrugia & Co (Stockbrokers) Limited.

All amounts in the tables presented below are in thousands (€'000), unless otherwise specified, and have been subject to rounding.

8. FINANCIAL ANALYSIS AND FORECASTS OF THE COMPANY

The Company was set up on 6 June 2017 as a special purpose vehicle for the financing of the Virtu Holdings Group. This section provides an overview of the historical financial information for the financial years ending 31 December 2021, 2022 and 2023, and forecasts for the current year FY2024.

The forecasts for FY2024 have been based on assumptions all of which are the sole responsibility of the Directors of the Company. The actual outcome may be adversely affected by unforeseen circumstances and, as a result, the variation between forecasts and actual results may be material.

8.1 INCOME STATEMENT

for the year ended 31 December	Actual **2021** €'000	Actual **2022** €'000	Actual **2023** €'000	Forecast **2024** €'000
Finance income	1,098	1,098	1,108	1,108
Finance cost	(993)	(996)	(998)	(1,000)
Administrative Expenses	(95)	(98)	(107)	(100)
Profit before tax	**10**	**5**	**3**	**8**
Tax expense	(4)	(2)	(1)	(3)
Profit after tax	**7**	**3**	**2**	**5**

In FY2023, finance income amounting to €1.1 million was generated from a facility fee and interest charged on loans advanced to VML. Finance costs comprise interest payable on the outstanding bond issue as well as the amortisation of the issuance costs of the bond. Administrative expenses principally comprise Directors' fees but also include other professional fees. There are no significant changes in the company's activities that lead to material differences in results from one year to the next in line with the objectives of the company.

8.2 Statement of Financial Position

as at 31 December	Actual 2021 €'000	Actual 2022 €'000	Actual 2023 €'000	Forecast 2024 €'000
ASSETS				
Non-current assets				
Loans and receivables	24,400	24,400	24,400	24,400
Deferred tax asset	-	47	151	151
Current assets				
Trade and other receivables	891	899	852	919
Cash and cash equivalents	8	89	3	5
Total assets	**25,299**	**25,435**	**25,406**	**25,475**
EQUITY AND LIABILITIES				
Non-current liabilities				
3.75% bonds 2017-2027	24,620	24,678	24,739	24,802
Current liabilities				
Trade, other payables & tax	152	226	134	135
Total liabilities	**24,772**	**24,905**	**24,873**	**24,937**
EQUITY				
Share capital	500	500	500	500
Retained earnings	27	30	33	38
Total equity	**527**	**530**	**533**	**538**
Total equity and liabilities	**25,299**	**25,435**	**25,406**	**25,475**

As a financing vehicle, the Company's statement of financial position reflects the funds raised through the bond issue and lent to the Guarantor as part of the financing requirements of the Group. In this regard, the main asset of the Company is a €24.4 million loan to the Guarantor which, in turn, has been used as part finance for the purchase of *HSC SJPII*. On the liabilities side, the Company has borrowings of €24.8 million reflecting the carrying amount of the 3.75% bonds issued in 2017.

As expected, no significant differences in movements merit focus or mention given the nature of the company's activities and objectives.

8.3 Statement of Cash Flows

for the year ended 31 December	Actual 2021 €'000	Actual 2022 €'000	Actual 2023 €'000	Forecast 2024 €'000
Net cash (used in) / generated from operating activities	(5)	81	(86)	2
Net cash used for investing activities	-	-	-	-
Net cash from financing activities	-	-	-	-
Net movements in cash and cash equivalents	**(5)**	**81**	**(86)**	**2**
Cash and cash equivalents at beginning of the year	13	8	89	3
Cash and cash equivalents at end of year	**8**	**89**	**3**	**5**

Cash movements in the ordinary course of business sees FY2023 net cash used in operating activities increasing to an outflow of €86,000 compared to a net cash generation of €81,000 in FY2022. This is the result of timing in the settlement of trade payables resulting in net changes in working capital. Minimal net movement is expected for FY2024.

9. Virtu Maritime Group

This section provides an overview of the consolidated historical financial information of the Guarantor for the financial years ending 31 December 2021, 2022 and 2023. Furthermore, in terms of the Listing Policies issued by the MFSA, the Guarantor is required to prepare forecasts for the current year FY2024.

The forecasts for FY2024 included in this FAS update have been based on the best information available to the Board of Directors at the time of the preparation of these forecasts. While the actual outcome may be adversely affected by unforeseen circumstances and, as a result, the variation between forecasts and actual results may be material, for FY2024, it is anticipated that business will remain buoyant with moderate volatility in fuel markets such that visibility of earnings appears comforting.

9.1 Segmental Analysis

The table below provides a breakdown of revenue generated by the Group for the periods under review as well as forecasted revenue breakdown for the current financial year ending 31 December 2024.

	Actual FY2021	Actual FY2022	Actual FY2023	Forecast FY2024
Revenue **Breakdown**	*€'000*	*€'000*	*€'000*	*€'000*
Ferry service, accommodation & excursions	23,982	36,803	45,554	43,905
Charter hire & related income	1,538	3,729	6,845	11,320
Food and beverage sales	656	1,325	1,488	1,520
Total	**26,176**	**41,857**	**53,887**	**56,745**

Source: *Management information*

As is understandable, the '*ferry service, accommodation & excursions*' segment comprises the most significant revenue stream, accounting for 85% of total revenue in 2023 compared to 88% in FY2022.

'Food and beverage sales', the smallest component of total revenue, is directly related to passenger demand. As the number of passengers on the Malta – Sicily route increased further in FY2023 following the post-COVID19 recovery which began in FY2022, income from this activity increased to €1.5 million compared to €1.3 million in FY2022.

The forecast revenue for FY2024 reflects a continuation of the positive business dynamics seen in FY2023 as a result of strong tourism numbers, moderate volatility in fuel markets and relative macro stability. On this basis, management appears confident that FY2024 will be another positive year wherein, although it would be hard to expect further revenue growth from the principal and dominant revenue stream, charter income is expected to increase materially principally as a result of a short-term charter in the Eastern Mediterranean performed by *HSC Maria Dolores* between December 2023 and March 2024 prior to its return to service on the Spain-Morocco route from June 2024 for the rest of the year.

Although lower overall revenue from *ferry service, accommodation & excursions* is being prudently forecasted for FY2024 in view of the removal of the Gozo numbers from this revenue stream, the number of trips in FY2024 is expected to be similar to FY2023 wherein passenger and vehicle numbers are expected to increase slightly over the 2023 results. Overall, income from '*ferry service, accommodation & excursions*' is anticipated to decrease from €45.5 million in FY2023 to €43.9 million in FY2024. *Food and beverage sales* on the other hand, is forecast to increase slightly to reach €1.5 million in FY2024.

9.2 INCOME STATEMENT

for the year ended 31 December	Actual 2021 €'000	Actual 2022 €'000	Actual 2023 €'000	Forecast 2024 €'000
Revenue	**26,176**	**41,857**	**53,887**	**56,745**
Cost of Sales	(20,600)	(29,231)	(31,111)	(29,825)
Gross Profit	**5,576**	**12,626**	**22,776**	**26,920**
Administrative expenses	(3,992)	(5,417)	(5,830)	(6,025)
Other income	294	561	345	470
EBITDA	**1,878**	**7,770**	**17,291**	**21,365**
Depreciation & amortisation	(5,769)	(5,848)	(5,912)	(5,950)
Operating profit / (loss)	**(3,891)**	**1,922**	**11,379**	**15,415**
Net finance costs	(2,549)	(2,715)	(3,358)	(3,095)
Profit / (loss) before tax	**(6,440)**	**(793)**	**8,021**	**12,320**
Tax (expense) / credit	95	366	1,567	(250)
Profit / (loss) after tax	**(6,345)**	**(427)**	**9,588**	**12,070**

FY2023 REVIEW

During FY2023, total revenue increased by 28.7% to reach €53.9 million largely the result of strong demand over the whole year on the Malta-Sicily high speed ferry services, higher than anticipated charter income from the *HSC Maria Dolores* on the Spain-Morocco route up to early December 2023 following which she was immediately deployed on another short term charter in the Eastern Mediterranean, as well as improvements registered on the Malta-Gozo route following the negotiation of a services agreement pending conclusion of an EU approved PSO agreement.

Cost of sales and administrative expenses mainly comprise vessel operating expenses and employee benefits. In aggregate, operating expenditure increased by 6.6% from €34.6 million in FY2022 to €36.9 million in FY2023 largely reflecting higher activity (more trips) and therefore higher consumption and general operating costs. However, this increase is materially lower than the increase in revenue largely due to a moderation in volatility of fuel costs throughout the year compared to the volatility and cost increases experienced in FY2022. In fact, as reported last year, fuel prices subsequently eased from the peak reached in June 2022 and have remained largely range-bound at lower levels throughout most of 2023.

As revenue growth exceeded the growth in costs of sales, the Group reported a material improvement in earnings before interest, tax, depreciation and amortisation (EBITDA) which reached €17.3 million in FY2023 compared to €7.8 million in FY2022. After accounting for a relatively unchanged depreciation and amortisation charge of €5.9 million (FY2022: €5.8 million), VMG generated operating profits of €11.4 million compared to €1.9 million in FY2022 and therefore completing a remarkable turnaround from the operating loss of €3.9 million only a year earlier. Notwithstanding this strong recovery, operating profits in FY2023 are still below pre pandemic peak levels (FY2019: €15.9 million) in the main on account of the comparatively, substantially higher fuel costs.

Net finance costs increased by 23.7% to €3.4 million compared to €2.7 million in FY2022 as a result of higher interest rates on bank borrowings following the significant increase in official interest rates that has impacted variable rate borrowing costs.

VML registered a pre-tax profit of €8 million in FY2023 compared to a pre-tax loss of €0.8 million in FY2022. After accounting for a tax credit (Group relief) of almost €1.6 million, the net profit for FY2023 reached €9.6 million.

Forecasts FY2024

In FY2024, the performance is forecast to improve further in view of a number of factors principal of which is the charter segment where the *HSC Maria Dolores* just concluded a short-term charter in the Eastern Mediterranean during the first quarter of 2024. Following a short routine maintenance lay-off, the vessel is headed back to operate the Spain-Morocco crossings in an already contracted charter for the second half of FY2024. While the impact of this material improvement in charter revenue is expected to drive total revenues to €56.7 million, the main revenue stream - *ferry service, accommodation &* excursions – is anticipated to generate slightly lower overall revenue as the expected slight increase in passenger and vehicle revenue is not anticipated to outweigh the drop in revenue emanating from the cessation of the Gozo operations that have now been hived off to VHL following the granting of a new concession to a 50% subsidiary of VHL.

Operating expenses (comprising both cost of sales and administrative expenses) are expected to decrease by 3% to €35.9 million. While increased business activity and pressure resulting from the inflationary effects of principal costs is expected to drive expenses higher lower average full year fuel costs in view of existing hedging arrangements in place and improved security of supply position. the cost savings from the transfer out of the Gozo service are anticipated to more than outweigh the estimated increases.

As a result of the assumptions adopted in the preparation of the forecast detailed above, EBITDA is expected to strengthen further to reach €21.4 million in FY2024 compared to €17.3 million in FY2023. After accounting for unchanged depreciation charges of approximately €5.9 million, VML is forecast to register a further material improvement in operating profit that is expected to reach €15.4 million compared to €11.4 million in FY2023.

Net finance costs are expected to drop by 8% to just over €3 million in FY2024 following an expected reduction in borrowings as a result of scheduled repayments of circa €10 million during the current financial year.

Overall, the Group is forecasting a pre-tax profit for FY2024 of €12.3 million compared to the pre-tax profit of €8 million in FY2023. A tax charge of €0.2 million is being forecasted for FY2024, resulting in a net profit of €12.1 million.

The board of directors has continued to be prudent, applying assumptions based on solid evidence and expectations in the preparation of the FY2024 forecasts.

9.3 Statement of Cash Flows

for the year ended 31 December	Actual 2021 €'000	Actual 2022 €'000	Actual 2023 €'000	Forecast 2024 €'000
Net cash from / (used in) operating activities	3,859	(532)	17,114	19,196
Net cash used in investing activities	(8,235)	(533)	(1,141)	(235)
Free Cash Flow to the Company	**(4,376)**	**(1,065)**	**15,973**	**18,961**
Net cash (used in)/from financing activities	(6,798)	3,212	(14,690)	(11,480)
Net movements in cash and cash equivalents	**(11,174)**	**2,147**	**1,283**	**7,481**
Cash and cash equivalents at beginning of the year	9,112	(2,062)	86	1,369
Cash and cash equivalents at end of year[5]	**(2,062)**	**86**	**1,369**	**8,850**

FY2023 Review

Cash generated from operations recovered sharply in FY2023 to €17.1 million following the substantial contraction in FY2022 as working capital improved materially on account of the strong operating performance. Trade and other receivables as well as trade payables (albeit by a lesser degree) increased materially on account of the higher levels of business activity during FY2023.

Net cash used in investing activities amounted to just over €1.1 million in FY2023 reflecting ordinary course of business investments such as fixed asset purchases although these were lower than originally anticipated.

In FY2023, the Group registered a net outflow of cash used for financing activities amounting to a substantial €14.6 million. This is principally the net result of increasing on-lending to group companies as well as borrowing repayments in line with periodic obligations.

Overall, during FY2023, VML registered a net inflow of cash and cash equivalents amounting to €1.3 million resulting in an improved cash balance at year end of €1.4 million.

[5] *Inclusive of bank overdrafts.*

Forecasts FY2024

During FY2024, the Group is expected to generate a stronger level of cash from operating activities amounting to €19.2 million reflecting the business momentum that is anticipated throughout the entire year including but not limited to the strong charter income.

Net cash used in investment activities is expected to amount to just €0.2 million and largely relates to the ordinary and expected continuous investment needed in fixed assets as business continues to increase.

Financing activities are anticipated to result in an outflow of €11.5 million resulting mainly from regular repayments on bank and other borrowings.

Overall, during FY2024, VML expects to register a net inflow of cash and cash equivalents amounting to €7.5 million which improves the Group's expected year end cash balance to €8.8 million.

9.4 STATEMENT OF FINANCIAL POSITION

as at 31 December	Actual 2021 €'000	Actual 2022 €'000	Actual 2023 €'000	Forecast 2024 €'000
ASSETS				
Intangible assets	50,006	50,006	50,656	50,006
Property, plant and equipment	126,715	121,939	117,059	111,884
Right-of-use assets	6,857	6,317	6,489	5,949
Trade & other receivables	115	115	115	115
Deferred taxation	615	956	735	485
Total non-current assets	**184,308**	**179,333**	**175,054**	**168,439**
Inventories	354	598	629	600
Trade and other receivables	13,334	14,343	23,213	23,400
Cash and cash equivalents	660	1,917	1,369	8,850
Total current assets	**14,348**	**16,858**	**25,211**	**32,850**
Total assets	198,656	196,191	200,265	201,289
LIABILITIES				
Borrowings	46,593	46,020	38,035	28,053
Trade and other payables	45,530	45,530	45,530	45,530
Lease Liabilities	7,114	6,738	7,073	6,712
Total non-current liabilities	**99,237**	**98,288**	**90,638**	**80,295**
Borrowings	10,218	10,290	8,148	7,330
Trade and other payables	8,570	6,088	10,389	10,550
Lease Liabilities	343	376	361	361
Current tax liability	17	54	46	-
Total current liabilities	**19,148**	**16,808**	**18,944**	**18,241**
Total liabilities	118,385	115,096	109,582	98,536
EQUITY				
Share capital	4,363	4,363	4,363	4,363
Retained earnings	10,435	11,259	20,847	32,917
Other reserves	45,473	45,473	45,473	45,473
Capital reserves	20,000	20,000	20,000	20,000
Total equity	**80,271**	**81,095**	**90,683**	**102,753**
Total equity and liabilities	198,656	196,191	200,265	201,289

FY2023 Review

As at 31 December 2023, Group assets totalled €200.3 million (FY2022: €196.2 million), mainly composed of '*vessel and vessel equipment*' (€117 million) and '*intangible assets*' (€50 million). The slight decrease in the former is, as usual, reflective of depreciation charges which was partially offset by the improved cash balances.

Total liabilities decreased by 4.8% to €109.6 million reflecting the reduction in borrowings (both long and short term) that more than offsets the increase in trade payables which in turn are reflective of the higher business generated during the year. Total Group borrowings, amounting to €70.6 million, is made up of bank loans amounting to €46.2 million (FY2022: €56.3 million) as well as €24.4 million due to Virtu Finance plc (representing the bonds in issue on-lent to the Group) and included in trade and other payables under non-current liabilities. The balance of €21.1 million under this classification (trade and other payables) represents a non-current liability due to Virtu Holdings Limited, the parent company.

At the end of FY2023 the Group's total equity amounted to €90.7 million (FY2022: €81.1 million), funding 45.3% (FY2022: 41.3%) of the total asset base. The equity base is comprised of: (i) '*share capital*' amounting to €4.36 million; (ii) '*retained earnings*' of €20.8 million; (iii) '*other reserves*' of €45.5 million representing the difference between the fair value attributable to the shares issued for the acquisition of the Subsidiaries within the Virtu Maritime Group amounting to €49.6 million and the nominal amount of shares issued of €4.1 million; and (iv) '*capital reserves*' of €20 million relating to a subordinated loan granted by Virtu Holdings Limited to VML. The only change from FY2022 is in *'retained earnings'* which increased by 85.1% to €20.8 million reflecting the net profits registered in FY2023.

Forecasts FY2024

In FY2024, VML is expecting total assets to increase by a marginal €1 million as growth in year-end cash balance is expected to more than offset the usual annual depreciation impact on the Group's property, plant and equipment.

Similar to last year, by the end of FY2024, total liabilities are expected to decline by 10% to €98.5 million as the Group continues with its gradual repayment of outstanding borrowings. In fact, total borrowings are expected to decline by 15.3% or €10.8 million to €70.6 million. Given the expected profit to be registered in FY2024 amounting to €12 million, total equity is anticipated to increase from €90.7 million in FY2023 to €102.8 million in FY2024.

Analysis of Borrowings

as at 31 December	Actual 2021 €'000	Actual 2022 €'000	Actual 2023 €'000	Forecast 2024 €'000
Short-term borrowings	10,218	10,290	8,148	7,330
Long-term borrowings – Bank	46,593	46,020	38,035	28,053
Long-term borrowings – VFP Loan	24,400	24,400	24,400	24,400
Total borrowings	**81,211**	**80,710**	**70,583**	**59,783**
Less: Cash and cash equivalents	660	1,917	1,369	8,850
Net Debt	**80,551**	**78,793**	**69,214**	**50,933**
Equity	80,271	81,095	90,683	102,753
Total funding	**160,822**	**159,888**	**159,897**	**153,686**

An evident acceleration in repayment of some long-term bank borrowings is seen in FY2023 and is expected to continue in FY2024. The strong improvement in cash generated from operations forms the basis for this repayment plan that should see net debt fall to just under €51 million by the end of FY2024. Concurrently, a steady increase in equity, on account of strong retained earnings in both years under review, reduces gearing as will be seen in the ratios in the next section.

10. Ratio Analysis

The following set of ratios have been computed using VML's figures, both historical and forecasts.

Where the ratios were non-comparable because of a negative return or a negative result, the ratio has been recorded as 'N/A'.

Profitability Ratios

	Actual	Actual	Actual	Forecast
	FY2021	FY2022	FY2023	FY2024
Gross Profit margin *(Gross Profit / Revenue)*	21.30%	30.16%	42.27%	47.44%
EBITDA margin *(EBITDA / Revenue)*	7.17%	18.56%	32.09%	37.65%
Operating Profit margin *(Operating Profit / Revenue)*	N/A	4.59%	21.12%	27.17%
Net Profit margin *(Profit after tax / Revenue)*	N/A	N/A	17.79%	21.27%
Return on Equity *(Profit after tax / Average Equity)*	N/A	N/A	11.16%	12.48%
Return on Capital Employed *(Profit after tax / Average Capital Employed)*	N/A	1.19%	7.04%	9.52%
Return on Assets *(Profit after tax / Average Total Assets)*	N/A	N/A	4.84%	6.01%

In view of the strong and encouraging performance registered in FY2023, on the back of solid tourism numbers as well as the continuation of the *HSC Maria Dolores* charter for the entire year, the Group's gross profit margin, EBITDA margin and operating profit margin all registered material and comforting improvement. Similarly, returns on equity, capital and assets all improved to healthy levels.

In FY2024, as the strong business momentum of FY2023 is anticipated to continue and barring any unforeseen circumstances, a further material improvement in the above ratios is expected on a profitable year for the business.

Liquidity Ratios

The below is a set of ratios prepared to assist in measuring a Company's ability to meet its short-term obligations.

	Actual FY2021	Actual FY2022	Actual FY2023	Forecast FY2024
Current Ratio *(Current assets / Current liabilities)*	0.75x	1.00x	1.33x	1.80x
Cash Ratio *(Cash & cash equivalents / Current liabilities)*	0.03x	0.11x	0.07x	0.49x

The combined effect of the increases in the Group's cash balance and trade receivables as well as the decrease in trade payables in FY2023, resulted in stronger liquidity ratios as disclosed in the above table.

Moreover, both the current ratio and cash ratio are expected to further improve in FY2024 largely reflecting the improvement in the Group's cash position that will strengthen current assets level against a forecasted stable level of current liabilities.

Solvency Ratios

The below is a set of ratios prepared to assist in measuring a Company's ability to meet its debt obligations.

	Actual FY2021	Actual FY2022	Actual FY2023	Forecast FY2024
Interest Coverage ratio *(EBITDA / Net finance costs)*	0.74x	2.86x	5.15x	6.90x
Gearing Ratio (1) *(Net debt / Total Equity)*	1.00x	0.97x	0.76x	0.50x
Gearing Ratio (2) *[Total debt / (Total Debt plus Total Equity)]*	50.29%	49.88%	43.77%	36.78%
Net Debt to EBITDA *(Net Debt / EBITDA)*	42.89x	10.14x	4.00x	2.38x

The material improvements in results for FY2023 and forecasted results for FY2024 translated into a stronger solvency position throughout. Interest cover strengthened to over 5 times in FY2023 and is expected to reach almost 7 times in FY2024 whilst the bank borrowing repayments effected in FY2023 and anticipated again in FY2024 are expected to bring leverage levels down materially.

In view of the anticipated improvement in the Group's EBITDA in FY2024, the net debt to EBITDA ratio is also expected to strengthen further following a similar comforting improvement in FY2023. At a forecast of 2.38 times for FY2024, this ratio indicates that, all things being equal, at current profitability levels, it will take just over two years for the Guarantor to repay all of its borrowing from cash earnings. These results place the Guarantor in a position of strength following the rather difficult two-year pandemic period.

11. Variance Analysis of the Guarantor's Income Statement for FY2023

for the year ended 31 December	Actual 2023 €'000	Forecast 2023 €'000	Variance %
Revenue	**53,887**	**51,465**	**+4.71%**
Cost of Sales	(31,111)	(30,825)	+0.9%
Gross Profit	**22,776**	**20,640**	**+10.3%**
Administrative expenses	(5,830)	(5,454)	+6.9%
Other income	345	570	-39.5%
EBITDA	**17,291**	**15,756**	**+9.7%**
Depreciation and amortisation	(5,912)	(5,845)	+1.1%
Operating profit	**11,379**	**9,911**	**+14.8%**
Net finance costs	(3,358)	(3,168)	+6.0%
Profit before tax	**8,021**	**6,743**	**+19.0%**
Tax (expense) / credit	1,567	(175)	+995.4%
Profit after tax	**9,588**	**6,568**	**+46.0%**

In FY2023, a better than forecast performance was registered by the Guarantor. The reasons for this improvement stem principally from greater demand from passengers and vehicles on the Malta-Sicily ferry service as well as the higher charter income registered following a temporary charter (albeit only impacting December 2023) while the *MSC Maria Dolores* was already on its Spain-Morocco charter from April 2022. Costs of sales reached levels almost identical to forecast implying encouraging visibility and good planning on the part of management in so far as fuel costs and other related expenditure is concerned. Given that revenues exceeded expectations by almost 5% while costs of sales were similar to those forecasted, gross profit was actually 10% higher relative to forecasts.

While administrative expenses were indeed higher when compared to forecasts, in absolute terms the gross profit variance was comfortably larger. As a result, EBITDA and operating profit exceeded expectations, as indicated in the above table, by 9.7% and 14.8% respectively.

Net finance costs were 6% higher than expected as the weighted average effective interest rates on floating facilities at the end of the reporting period was higher than originally anticipated. However, in absolute terms the variance translates into just a €0.2 million impact. Overall, the Guarantor ended the year almost 20% better than anticipated at pre-tax level and almost 46% better than anticipated post-tax in view of a material tax credit in its favour as at end of FY2023.

PART C LISTED SECURITIES

The Company's listed securities comprise the Bond Issue, details of which are included below:

Bond:	€25 million 3.75% Unsecured Bonds 2027
ISIN:	MT0001561209
Prospectus Date:	30 October 2017
Redemption Date:	30 November 2027

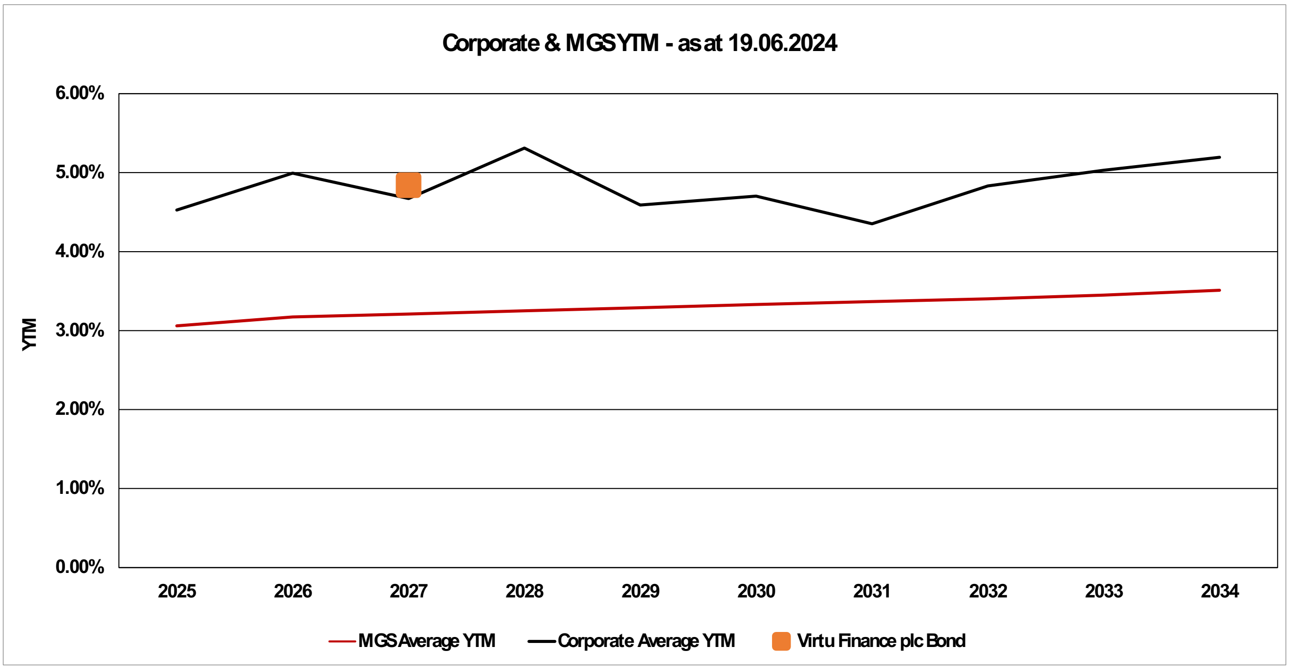
PART D COMPARATIVES

The table below compares (for information purposes only) certain data relating to the Company and its proposed bond issue with that of other listed debt on the local market having similar maturities. The list excludes issues by financial institutions. The comparative data includes local groups whose assets, strategy and level of operations vary significantly from those of the Company and are therefore not directly comparable.

	Outstanding Amount *(€)*	**Gearing Ratio*** *(%)*	**Net Debt to EBITDA** *(times)*	**Interest Cover** *(times)*	**YTM** *(as at 19.06.2024)* *(%)*
4.50% Grand Harbour Marina plc 2027	15,000,000	59.9%	5.2	2.6	5.02%
4.00% Eden Finance plc 2027	40,000,000	25.3%	5.9	3.8	4.38%
3.75% Tumas Investments plc 2027	25,000,000	17.3%	1.4	9.2	5.01%
3.50% Simonds Farsons Cisk plc 2027	20,000,000	8.8%	0.6	19.7	3.17%
3.75% Mercury Projects Finance plc 2027 (Secured)	11,500,000	66.4%	47.8	0.3	4.08%
3.75% Virtu Finance plc 2027	**25,000,000**	**43.3%**	**4.0**	**5.1**	**4.84%**

Source: Yield to Maturity from rizzofarrugia.com, based on bond prices of 19 June 2024. Ratio workings and financial information quoted have been based on the issuers' and their guarantors (where applicable) audited financial statements for the year ended 2023/2024, as applicable.

**Gearing Ratio: Net Debt / (Net Debt + Equity)*



The chart above compares the Virtu Finance plc bond to other corporate bonds listed on the Malta Stock Exchange and benchmarked against the Malta Government Stock yield curve as at 19 June 2024.

At a coupon of 3.75% per annum, the Virtu Finance bond 2027 yields 4.84% per annum to maturity, which is approximately 163 basis points above the average yield to maturity of Malta Government Stock (MGS) maturing in 2027 and approximately 17 basis points above the average yield to maturity of corporate bonds maturing in 2027.

Income Statement Explanatory Definitions

Revenue	Total revenue generated by the company from its business activity during the financial year.
EBITDA	EBITDA is an abbreviation for earnings before interest, tax, depreciation and amortization. It reflects the company's earnings purely from operations and is commonly used to analyse and compare profitability across companies as it eliminates effects of financing and accounting decisions which vary between companies in its computation.
Normalisation	Normalisation is the process of removing non-recurring expenses or revenue from a financial metric like EBITDA, EBIT or earnings. Once earnings have been normalised, the resulting number represents the future earnings capacity that a buyer would expect from the business.
EBIT	EBIT is an abbreviation for earnings before interest and tax. Similar to the above but factors in also depreciation and amortisation.
Depreciation and Amortization	An accounting charge to compensate for the reduction in the value of assets and the eventual cost to replace the asset when fully depreciated.
Finance Income	Interest earned on cash bank balances and from the intra-group companies on loans advanced (if any).
Finance Costs	Interest accrued on debt obligations.
Net Profit	The profit after tax generated in one financial year from all operational as well as non-operational activities.

Cash Flow Statement Explanatory Definitions

Cash Flow from Operating Activities	The cash used or generated from the company's principal operational business activities.
Cash Flow from Investing Activities	The cash used or generated from the company's investments in new entities and acquisitions, or from the disposal of fixed assets.
Free Cash Flow (FCF)	FCF represents the amount of cash remaining from operations after deducting capital expenditure requirements.

Cash Flow from Financing Activities	The cash used or generated from financing activities including new borrowings, interest payments, repayment of borrowings and dividend payments.

Statement of Financial Position Explanatory Definitions

Assets	What the company owns which can be further classified into Current and Non-Current Assets.
Non-Current Assets	Assets, full value of which will not be realised within one year from the statement of financial position date. These usually comprise longer term investments such as property, plant, equipment and investment properties. They are capitalised rather than expensed meaning that the company allocates the cost of the asset over the number of years for which the asset will be in use.
Current Assets	Assets which are realisable within one year from the statement of financial position date. These usually comprise receivables, inventory (stock) as well as cash and cash equivalents.
Liabilities	What the company owes, which can be further classified in Current and Non-Current Liabilities.
Current Liabilities	All obligations which are due within one financial year. These usually comprise payables and short-term debt which may include bank borrowing and/or bonds.
Non-Current Liabilities	All obligations which are due after more than one financial year. Would typically include bank borrowing and bonds.
Equity	Equity is calculated as assets less liabilities, representing the capital owned by the shareholders, retained earnings, and any reserves and/or other equity components.

Profitability Ratios

EBITDA Margin	EBITDA as a percentage of total revenue.
Operating Profit Margin	Operating profit margin is operating profit achieved during the financial year expressed as a percentage of total revenue.
Net Profit Margin	Net profit margin is profit after tax achieved during the financial year expressed as a percentage of total revenue.

Return on Equity	Return on equity (ROE) measures the rate of return on the shareholders' equity of the owners of issued share capital, computed by dividing profit after tax by shareholders' equity.
Return on Capital Employed	Return on capital employed (ROCE) indicates the efficiency and profitability of a company's capital investments, estimated by dividing profit after tax by average capital employed.
Return on Assets	Return on assets (ROA) measures the rate of return on the assets of the company. This is computed by dividing profit after tax by total assets.

Liquidity Ratios

Current Ratio	The current ratio (or liquidity ratio) is a financial ratio that measures whether a company has enough resources to pay its debts over the next 12 months. It compares a company's current assets to its current liabilities.
Cash Ratio	Cash ratio is the ratio of cash and cash equivalents of a company to its current liabilities. It measures the ability of a business to repay its current liabilities by only using its cash and cash equivalents and nothing else.

Solvency Ratios

Interest Coverage Ratio	This is calculated by dividing a company's EBITDA of one period by the company's net finance costs of the same period.
Gearing Ratio	The gearing ratio indicates the relative proportion of shareholders' equity and debt used to finance a company's assets and is calculated by dividing a company's total debt by total debt plus shareholders' equity.
Net Debt to EBITDA	This is the measurement of leverage calculated by dividing a company's interest-bearing borrowings net of any cash or cash equivalents by its EBITDA. The ratio provides an indication of how many years it would take for a company to pay back its debt in full assuming constant EBITDA and debt levels of the remaining years.

OTHER DEFINITIONS

Yield to Maturity (YTM)	YTM is the rate of return expected on a bond which is held till maturity. It is essentially the internal rate of return on a bond and it equates the present value of bond future cash flows to its current market price.